



## Thailand's Social Situation and Outlook in Q3/2018

The Office of the National Economic and Social Development Board (NESDB) released the official report on Thailand's social situation and outlook in the third quarter of 2018, of which key issues included the employment, an increase in income and labour productivity, and a decrease in expenditure on alcohol and cigarette consumptions. However, there were still some major issues requiring close monitoring including an increase in household debt without signs of debt repayment problem, increased illness with respiratory diseases and measles, and a decline in security of life and property that caused by an increase in criminal and accident cases. Moreover, there were also interesting social situations including suicide issue, Thailand's Competitive Ranking in Labor, and the article "New generation and the creation of quality population". The summary is as follows.

**Total employment increased in both overall and key sectors. Unemployment rate decreased. Income and labor productivity expanded continuously.**

In the third quarter of 2018, employment rose by 1.7 percent. Both agricultural sectors and non-agricultural sectors expanded for the first time in 22 quarters. Comparing to the previous quarter, employment in the agricultural sector increased by 1.9 percent while non-agricultural employment increased by 1.6 percent, which is the highest growth in 3 years. This was resulted from the economic growth expansion especially in (1) transport/warehouse sector which increased by 10.7 percent, the highest growth since 2014, (2) hotels and restaurants sector which increased by 3.0 percent, (3) manufacturing sector, which has been increasing consecutively for 3 quarters, rose by 2.8 percent, (4) construction sector grew by 2.6 percent, expanding for the first time in 2 years, and (5) wholesale/retail sector which increased by 0.9 percent.

The unemployment rate was 1.0 percent, lower than the previous year which was 1.2 percent, caused by an 11.5 percent decrease in unemployed who has worked before, and a 22.2 percent decrease in unemployed who has not worked before. However, by considering unemployment classified by education level showed that unemployment rates dropped in all educational levels. Meanwhile, higher-educational level had higher unemployment rate than other education levels. Unemployment rate in high-vocational education significantly decreased comparing with 2017 and the first half of 2018.

Workers work more than 40 hours/week decreased by 1.1 percent. Underemployed (workers who work less than 35 hours/week and want to work more) increased by 17.5 percent reflecting the under-working conditions of workers, especially in the agricultural

sector which had 236,065 underemployed workers or accounted for 14.0 percent. This was according to a 1.5 percent decline in overall labour hours as same as labour hours in private sector which declined by 0.6 percent.

Labour productivity increased by 1.6 percent according to higher wages. Overall wage and wage in private sector increased by 1.4 percent and 3.1 percent respectively. However, by deducting the inflation rate of 1.5 percent, real wage in private sector increased by 1.4 percent and real wage in non-agricultural sector increased by 1.2 percent while real wage in agricultural sector decreased by 0.5 percent. This result showed that the adjustment of agricultural labor costs which was slower than the increase in prices.

For the employment trends in the last quarter of 2018, Employment Situation and Labor Market tend to be in good direction according to Thailand's economy which continues to expand well. It is supported by the lessen pressure on exports, the economy of trading partners, and the Consumer Confidence Index (CCI) in October that remained high. However, the risk in global economy and financial volatility still needs to be closely monitored particularly the uncertainties and effects of trade barriers between the United States and China, and a delay in the recovery of the tourism sector.

**Household debt tended to increase but there are no signs of debt repayment problem.**

In the third quarter of 2018, household debt was likely to increase considering by the remaining consumer loans which expanded by 8.4 percent. The ability to repay debt when considering the proportion of non-performing loans to non-performing loans increased from 2.72 percent in Q2/2018 to 2.73 percent in Q3/2018. In terms of debt default, personal loans under supervision and credit card loans remained at the same level as the previous quarter. Overdue loans over 3 months of personal loans under supervision increased by 9.7 percent, while the number of credit card loans over 3 months decreased by 0.2 percent. To support financial literacy education and to change people's financial behavior is the key to reduce the risk of debt, especially for children and youth that should be educated and built financial skills and disciplines at an early age. In the past, the government has implemented measures to promote good financial skills in many fields, such as education of financial literacy, financial planning, household accounting, income and expense managing, and controlling over debt creation. It also promotes saving programs in the system, especially among children and youth in order to continuously raise their awareness of savings.

**Patients diagnosed with diseases under surveillance increased, especially in respiratory diseases and measles. Emerging infectious diseases from cross-country travelling needed to be monitored.**

In Q3/2018, the overall number patients diagnosed with diseases under surveillance increased by 5.2 percent from Q3/2017 especially came from respiratory diseases such as a 2.7 percent increase in flu patients, an 11.2 percent increase in pneumonia patients, and a 109.4 percent increase in measles patients, comparing to Q3/2017. Most patients were young children at aged 1-6 years old. However, pregnant women and low-immunity patients when they got measles have severe symptoms and complications. These can be prevented by vaccination and avoidance touching the patient. In addition, emerging infectious diseases from cross-country travelling needed to be monitored such as Rubella disease which increasingly found in Japan, and MERS disease (Middle East respiratory syndrome) which has currently an outbreak in South Korea. The Ministry of Public Health recommended travelers to protect themselves before travelling to those countries as well as monitored diseases attached to the traveler in and out of the country intensely.

**Expenditure on alcohol and cigarette consumptions decreased.**

Expenditure on both alcohol and cigarette consumptions declined comparing year-on-year by 7.5 percent and 13.7 percent respectively. These expenditures accounted for 3.0 percent of the total household expenditure. In the past, the government had issued various measures to keep people consuming alcohol and smoking less continuously by using legal measures included Alcohol Control Act BE 2551, Tobacco Products Control Act BE 2560, and an adjustment of the excise tax on alcohol and cigarettes according to the Ministerial Regulations, the rate of excise tax (No. 2) BE 2560 which aims to reduce the number of alcohol and tobacco consumers. In addition, there were other measures as campaigns and public relations to encourage quitting smoking and alcohol in schools, events, and in festivals such as “Give up alcohol for Buddhist Lent” campaign, “No alcohol during Songkran festival” campaigns, “Alcohol in merit event equals sin” campaigns, and assigning non-smoking public space. The use of civil-state mechanisms and area-based implementation will help to integrate operations in alcohol and tobacco control and to create changes in the behavior of people in the community.

**Narcotic crime cases increased. Addictive drug uses and crimes caused by drug uses need to be prioritized.**

The overall number of criminal cases in Q3/2018 increased by 13.3 percent from the previous year. While crimes against life and sexual assaults and crimes against property decreased by 11.7 percent and 9.8 percent respectively, narcotic cases increased by 19.5 percent which accounted for 83.5 percent of the overall number of criminal cases. The most

accused suspect in narcotic cases was addictive which accounted for 64.1 percent. The range age between 20-24 years old was the most accused which accounted for 23.1 percent of total narcotic accused suspects. There were 173,579 people attended addiction treatment, increased by 13.4 percent. Addictive drugs that should be closely monitored are heroin and ketamine. Therefore, each agency has to be involved in this problem's surveillance and monitors the behavior that will lead to crime. Families and schools must be the primary force to co-ordinate child and youth protection and crime awareness. Government agencies must take action to prevent crime at the regional level. Communities should set up preventive networks such as White Village Project "No crime, No drugs", White Factory Project by building sustainable surveillance system in order to suppress drug crime in the community more effectively.

**Number of accidents increased. All sectors must quickly reduce the loss of life and property.**

The number of road accident in Q3/2018 increased by 13.1 percent in comparison with Q3/2017. Number of deaths and property damages both decreased by 17.4 percent and 28.0 percent respectively. The cause of the accident was mainly from driving the car too fast. Vehicle that had the highest number of accident was still motorcycle, accounted for 19.3 percent of total car accidents. The government has emphasized the prevention and mitigation of road accidents and has set safety strategies as following: (1) In terms of driver, encourage to strictly follow the traffic rules. (2) In terms of environment, improve infrastructure design to be more secure. (3) In terms of laws, enforce laws and penalties appropriately. (4) In terms of speed limit, set up checkpoint and use of new technological equipment. (5) Emphasize car safety standards and car interior setting. Moreover, in order to create a safe society and to reduce accidents throughout the year. These following issues should be considered: (1) Enhance management capabilities by developing integrated data storage and evaluation mechanisms. (2) Change driver's behavior and encourage traffic discipline from childhood to adulthood and build a sustainable road safety culture. (3) Upgrade the safety of vehicles and roads according to international standards. (4) Create a safe environment around roads, such as U-turns, landscapes nearby, in order to reduce the accident on both sides of the road.

**Suicide: Solve problems with the cooperation of all sectors.**

Suicide rates in Thailand were likely to decrease. However, the number of suicide attempts is 10 times more than the number of committed suicides. Over the past 20 years, Thai people had committed suicide about 4,000 cases per year. In 2017, 3,934 people were successfully committed suicide which was equal to 6.03 suicides per 100,000 people. Men had 4.4 times greater suicide rate than women. The most-suicide age group was in the 40-49

year-old and suicide among 60-year-old was likely to increase. Several causes of suicide included relationship problems, family problems, chronic physical illness and lack of care, economic problems, and the depression. Women were 1.7 times more likely to suffer from depression than men, especially among adolescents aged 15-19 years who were most at risk for suicide. Prevention and solution of suicide problem should begin with the family which is the most important power and closest to the patients. Family members must collaborate in supporting love and understanding by using “3C” of suicide prevention: Good connection, Good communication, and Good care. In addition, society and the public must help to monitor the problem by observing the warning signs of suicide, whether it is from speeches, behaviors, or from social media posts. These people need to take care and to be advised sincerely in order to primarily stop them from committed suicide.

### **Raising the Competitiveness of Thailand in the Labor Dimension**

In 2018, the World Economic Forum published the Global Competitiveness Index 4.0 which showed that Thailand was ranked 38<sup>th</sup> out of 140 countries, improved from the 40<sup>th</sup> place in 135 countries in 2017, specifically in the dimension of the institutional framework, economic stability, and adaptation in information technology. However, competitiveness in labour dimension has declined significantly to 44<sup>th</sup> place from the 38<sup>th</sup> place in 2017, and ranked 5th in ASEAN. The issues that should be closely monitored (World rank lower than 80<sup>th</sup>) includes: (1) Cost of quitting a job since an average compensation for quitting job in Thailand is high, compared to other countries. (2) Flexibility in determining labour wages that each company can freely determine its own wage but must be based on public sector wage rates. (3) Labour rights are considered by the freedom of labour, the right to form or join unions, union activity, and the right to protest or strike is important. Although the legal provisions covered all the duration, wage, and compensation for work but there were still lacks of promoting union, law enforcement, and legal compliance. Therefore, these three issues of Thailand's competitiveness may be limited because they linked to the issue of protection and promotion of good quality of life in labour dimension. However, it can be done by upgrading labor capacities in other dimensions, such as strengthening and extending access to proactive labor measures, strictly regulating entrepreneurs and foreign workers by using laws, focusing on improving quality of work, increasing the role of the state as a medium between entrepreneurs and workers to match positions, and the preparation of workers to keep up the change of the world.

### **The article “New generation and the creation of quality population”**

Thailand has entered into an aging society since the number of elderly people is increasing while child and labor population is decreasing which will affect the long-term development of the country. One of the reasons is a decline in fertility in Thailand, ranked

one of the first five countries in Asia, and expected to be reduced to 1.3 percent in 2040. Because of the socio-economic changes that affect the values and attitudes of family and childbirth of new generations, young people choose to live alone or postpone marriage and childbirth, especially in Generation Y which is currently the majority of the population at reproductive age.

Office of the National Economic and Social Development Board (NESDB), in collaboration with Research Centre for Social and Business Development Co., Ltd. (SAB), surveyed the attitudes and socio-economic factors that affect the birth of a child in the Generation Y (Born in 1980-2000) with 3,734 samples consisted of 44% married households and 56% single households. The objective is to understand attitudes, needs, and conditions that will motivate new generations to build families. It is one way to help design policies to encourage the creation of quality families. The key findings are as follows.

1. From the samples of Gen-Y, There were 29.4 percent of total samples who were grown without parents. A 69.9 percent of family households from the samples had an average duration of living together before marriage equal to 2 years. The attitudes towards this group of samples showed that a decrease in marriage legal obligations and formalities were important issues. There was 42.9 percent did not pay much attention to marriage registration, and 27.0 percent did not give importance to marriage.

2. In terms of family building, there was 76.4 percent of Gen-Y that agreed with having a family by certain reasons such as having someone to help, to take care while they were sick, to fulfill life, and to reduce the behavior of frequently switching sexual partners. Despite positive attitudes towards family, there was 34.9 percent of Gen-Y who think that having family will make them lose their self-esteem/privacy. 18.0 percent of single people did not want to have their own family because they want to live independently, to focus on work rather than having a family, do not want to bond with anyone, and they already have a good life without changing.

3. In terms of attitude towards childbirth, there was 64.3 percent of Gen-Y that agreed with childbirth by reasons included: Children are the key of having stronger relationships between husband and wife, having someone to take care their when they are old, continue family lineage, and make their life to have a goal. Meanwhile, there was 20.5 percent of Gen-Y that has not had any baby and does not want to have. The reasons included they want to live freely, to focus on work rather than having children, enjoy their current life, and concern about high cost of raising children.

4. In terms of satisfaction in having child, it showed that married households have a better attitude toward having child than single households. Coupled households, both who have children and who do not have, thought that having a child makes a life more balanced and increase their overall happiness while the opportunity to achieve their goal has not

changed. On the other hand, single households also thought that having a child makes a life more balanced and does not change their happiness. However, the opportunity to achieve their intended goal is significantly reduced.

5. The decision to have a baby depends on 4 important factors included partner's demand, having someone to help taking care of baby, having a standard school nearby, and be able to work at home. The conditions and incentives to have children spread in several measures, pointed out that the decision depends on many factors. The top three measures are lump sum from the government to support the cost of raising new children, tax deduction for child support, and the establishment of a fund to support the cost of raising children.

In the past, the government and related agencies have promoted measures that improved quality of life included tax deduction for child support, antenatal care cost, childbirth cost, the subsidy for raising newborn children until 3 years old (Child Support Grant) 600 Baht per child per month, improving child development centers, encouraging companies to set up childcare centers, right to leave for giving birth, and preventing teenage pregnancy problems. However, increasing population is quite difficult due to the decision factor that depends on personal factors. Meanwhile, the incentive from the state is not enough to motivate people having baby. This situation is the same as in other countries. Therefore, the policy should be focused on improving quality as the following guidelines.

1. Raise awareness about the value of having children and the joys of having a family, educating in family planning, and life plans to have children at the right time, together with achieving their goals and the quality of children's development.

2. Create an environment that is suitable for childbirth with quality child, such as the promotion of gender equality in child-raising and family care, and the protection of working career path in women who have children.

3. Reduce costs and providing benefits to families with children in order to support quality childcare by providing financial aid with conditions linked to the development of the quality of the child. Provide housing privileges by supporting low interest loans for family with children. Establish funds to alleviate the burden of family care by contribute money from the states to fund members.

4. Develop the potential of all ages by preparing the population since early childhood, standardizing quality education services to prepare labour that are consistent with technological change, and providing subsidies and financial assistance to poor families with children.

## Key Social Indicators

Components	2016	2017	2016				2017				2018		
	Year	Year	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Employment</b> <sup>1/</sup>													
Workforce (Thousands)	38,266	38,100	38,312	38,160	38,683	37,911	38,216	38,267	38,168	37,748	38,145	38,482	38,725
%YOY	-0.7	-0.4	-0.1	-0.6	-0.2	-2.1	-0.3	0.3	1.3	-0.4	-0.2	0.6	1.5
Employed Person (Thousands)	37,693	37,458	37,684	37,394	38,263	37,430	37,443	37,538	37,647	37,205	37,361	37,885	38,301
%YOY	-0.9	-0.6	-0.2	-0.9	-0.2	-2.5	0.6	0.4	-1.6	-0.6	0.2	0.9	1.7
Unemployed Person (Thousands)	378	451	369.9	411	362.5	366.3	463	465	453	422	474	411	373
Unemployment Rate (%)	0.99	1.18	0.97	1.08	0.94	0.97	1.21	1.22	1.19	1.12	1.24	1.07	0.96
Underemployed Person (Thousands)	275	303	293	352	217	237	336	350	271	256	336	283	319
<b>2. Health and Illness</b>													
<b>Number of patients under disease surveillance</b> <sup>2/</sup>													
- Measles	1,688	3,185	221	271	466	730	367	295	479	485	547	660	1,238
- Meningococcal Meningitis	17	28	6	5	4	2	5	5	7	6	1	9	3
- Japanese encephalitis	772	815	179	187	231	175	259	143	193	143	182	231	200
- Cholera	51	8	41	2	7	1	2	2	2	2	0	2	2
- Hand, Foot, Mouth	79,910	70,189	10,066	19,012	39,589	11,243	11,450	19,958	35,168	7,982	8,694	19,247	31,518
- Dysentery	6,726	4,847	1,820	1,841	1,887	1,178	1,329	1,410	1,130	784	1,132	965	741
- Pneumonia	245,211	27,741	65,661	45,244	72,851	61,455	63,869	53,578	79,622	68,401	57,835	57,985	88,717
- Leptospirosis	2,295	3,474	446	401	671	777	573	592	1,166	1,132	402	637	932
- Dengue Fever	63,531	53,189	14,840	7,874	25,744	15,473	7,060	9,170	32,410	5,321	4,998	24,156	31,073
- Influenza	169,362	157,811	43,634	14,135	58,535	53,158	19,742	18,508	109,057	50,567	36,849	25,128	103,721
- Rabies	13	8	4	2	5	2	2	3	2	1	7	3	3
<b>Rate per 100,000 population of death with major chronic non-communicable diseases</b>													
- High blood pressure	12.1	n.a.	No quarterly data available										
- Ischaemic heart disease	29.9	n.a.											
- Cerebrovascular disease	43.3	n.a.											
- Diabetes	19.4	n.a.											
- Cancer and tumors	113.7	n.a.											
<b>3. Social Security</b>													
- Patients from road accidents (cases)	8,259	8,616	1,871	1,494	2,502	2,392	2,304	2,111	1,756	2,132	2,031	1,746	1,590
- Crimes against person (cases)	20,218	18,249	5,659	5,294	4,879	4,386	5,120	5,032	4,573	4,357	4,403	4,560	4,083
- Property crimes (cases)	58,964	56,778	10,256	8,957	10,188	9,583	15,167	14,102	14,486	14,305	12,932	13,185	13,537
- Narcotics (cases)	270,595	278,807	64,753	59,104	69,551	74,532	77,627	61,399	71,250	75,681	79,355	93,110	89,414
<b>4. Consumer Protection</b> <sup>3/</sup>													
<b>4.1 Number of complaints (cases)</b>													
- Contract/Property	2,637	3,707	727	795	509	660	548	1,380	928	851	660	795	1,072
- Goods and service	2,010	2,026	704	559	387	360	618	472	486	450	522	433	473
- Advertisement	1,628	2,425	457	373	298	500	432	827	734	432	330	253	417
- Law	37	0	25	12	0	0	0	0	0	0	0	0	0
- Direct sales and marketing	1,097	712	120	244	550	133	103	128	156	325	254	180	221
<b>4.2 Hot line 1166 (cases)</b>	<b>47,329</b>	<b>45,311</b>	<b>11,666</b>	<b>10,555</b>	<b>12,458</b>	<b>12,670</b>	<b>12,071</b>	<b>12,681</b>	<b>9,432</b>	<b>11,127</b>	<b>11,082</b>	<b>14,879</b>	<b>13,684</b>

Source: 1/ Labor force survey report, National Statistical Office, Ministry of Information and Communication Technology

2/ Bureau of Epidemiology, Department of Disease Control, Ministry of Health

3/ Office of the Consumer Protection Board, Office of the Prime Minister